



# FloorPrep

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Legislative Digest

Wednesday, May 10, 2000

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J.C. Watts, Jr.  
Chairman  
4th District, Oklahoma

*House Meets at 10:00 a.m. for Legislative Business*

***Anticipated Floor Action:***

**H.R. 3709—Internet Nondiscrimination Act**

**H.R. 701—Conservation and Reinvestment Act of 1999**

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**H.R. 3709—Internet Nondiscrimination Act**

**Floor Situation:** On Wednesday, May 10, 2000, the Rules Committee granted a modified open rule that provides one hour of general debate to be equally divided between the chairman and ranking minority member of the Committee on the Judiciary. The three-day rule is waived and the rule makes in order a committee amendment in the nature of a substitute as base text open to amendment at any point. The rule provides that the amendment process shall not exceed two hours and authorizes the Chair to accord priority to Members who have pre-printed their amendments in the *Congressional Record*. The rule provides one motion to recommit, with or without instructions.

**Summary:**

H.R. 3709 extends the 3-year moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce which took effect on October 1, 1998 by the Internet Tax Freedom Act (*P.L. 105-277*) for a period of five years. The original moratorium on taxes of the Internet bars state or local governments from taxing Internet access from October 1, 1998 until October 21, 2001. The legislation also repeals an exemption in the 1998 law that permitted the states already taking steps to tax Internet access to continue to do so if they could demonstrate that their taxes had already been “generally imposed and actually enforced” on Internet access providers prior to October 1, 1998. This exception only applied to taxes on Internet access, it did not apply to any other taxes in the moratorium. The term “discriminatory” commonly carries distinct meanings, but for the purposes of the Internet Tax Freedom Act

and H.R. 3709, “discriminatory tax” is defined as any tax on electronic commerce that is not generally imposed and legally collectible by a state or local government on transactions involving similar property, goods, services, or information accomplished through other means. A tax is discriminatory if it is imposed on an Internet action but not imposed on any other similar transaction off the Internet, or if it is imposed in only some but not all other cases. The bill was introduced by Mr. Cox on February 29, 2000 and was reported by the Committee on the Judiciary by voice vote on May 4, 2000.

**Amendments:** At press time, the *Legislative Digest* was aware of the following amendments:

**Mr. Chabot** may offer an amendment (#1) to make permanent the moratorium on Internet taxes. As originally introduced, H.R. 3709 permanently extended the current moratorium on Internet access charge taxes, multiple taxes and discriminatory taxes. The amendment restores the permanent ban. Proponents of the amendment argue that the permanent ban is the only method to ensure that the Internet remains tax-free. Simply extending the current moratorium continues to keep the Internet subject to future taxation.  
**Staff Contact:** *Brian Griffith, x5-2216*

**Mr. Delahunt** may offer an amendment (#2) to extend the existing moratorium for a period of two years or until October 21, 2003. **Contact:** *x5-3111*

**Mr. Istook** may offer an amendment (#3) reducing the extension of the moratorium from 5 years to 2 years (2003). **Staff Contact:** *John Albaugh, x5-2132*

**Mr. Istook** may an amendment (#4) that it is the sense of the Congress that states and localities should work together to develop a non-multiple and non-discriminatory tax system that seeks to address uniform rules, definitions, procedures, consistent electronic filing and remittance methods, audit procedures, protections for consumer privacy and such other uniform methods as the states may warrant to promote simplicity, uniformity, efficiency and fairness in an electronic taxing system that will not place an undue burden on interstate commerce or the growth of electronic commerce and related technologies in any material way. **Staff Contact:** *John Albaugh, x5-2132*

**Mr. Thune** may offer an amendment (#5) to restore states’ rights to collect sales tax on Internet access under the Internet Tax Freedom Act (*P.L. 105-277*). This statute grandfathered states which imposed and actually enforced Internet taxes prior to its enactment. The amendment allows grandfathered states to assess taxes on Internet services in the same manner as other services. The amendment also strikes the moratorium extension in the bill as reported by the Judiciary Committee.

## **H.R. 701-Conservation and Reinvestment Act of 1999**

**Floor Situation:** On Tuesday, May 9, 2000 the Rules Committee granted a structured rule that provides 90 minutes of debate to be equally divided between the chairman and ranking minority member of the Committee on Resources. The rule makes in order H.R. 4377 as an original bill for the purpose of amendment, in lieu of the amendment in the nature of a substitute now printed in the bill. The rule waives all points of order against the bill and the amendment in the nature of a substitute. It makes in order only those amendments printed in the report of the Rules Committee and provides that amendments may only be offered as printed in the report and by the Member so designated. All points of

order are waived against amendments printed in the report and the rule provides one motion to recommend, with or without instructions.

**Summary:** H.R. 701 establishes a new program that provides Outer Continental Shelf impact assistance to state and local governments and amends several existing statutes to create a fund to meet the outdoor conservation and recreation needs of the American people. The Conservation and Reinvestment Fund (CARA) will receive revenues received by the United States from leased oil and gas tracts within a defined area of the Outer Continental Shelf. The Fund will then allocate these funds to state and local governments in accordance with various the various titles of the bill. In addition to establishing the new OCS fund, the bill amends the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (so-called Pittman-Robertson Act).

**Amendments:** At press time, the *Legislative Digest* was aware of the following amendments:

**Mr. Young et. al.** may offer an amendment (#1) that eliminates the perception that the bill includes incentives for new oil and gas drilling by removing the 5-year update on the state allocation formula; defines the already existing program requirement within the bill; and creates a program for state projects of regional or national significance to be administered by the Secretary of the Interior in a competitive program consisting only of projects requested by the affected states. (10 minutes) **Staff Contact:** *Mike Henry, x 5-9297*

**Mr. Regula** may offer an amendment (#35) that allows those states which currently allow offshore drilling to receive the majority of the funding under Title I of the bill. (20 minutes) **Staff Contact:** *Karen Patero, x 5-3876*

**Mr. Radanovich** may offer an amendment (#14) that amends Section 5, relating to “the Fund,” to require full funding of the amounts authorized for PILT and Refuge Revenue Sharing, if amounts otherwise made available in the bill are insufficient. These payments are made to counties and local governments to support essential local services because the federal lands are not subject to property tax. Would require full funding for Payments in Lieu of Taxes (PILT) and Refuge Revenue Sharing before other amounts are expended from “the CARA Fund.” These payments are made to counties and local governments to support essential local services, because federal lands are not subject to property tax. The Bureau of Land Management (which manages the PILT program on behalf of the eleven federal land categories), estimates the FY01 authorized level will be approximately \$320 million. In FY00, however, only \$135 million was appropriated. The Fish and Wildlife Service, which manages the Refuge Revenue Sharing program, estimates the FY01 full entitlement to be \$30 million, while only \$16.7 million was made available in FY00 from appropriations and receipts. (20 minutes) **Staff Contact:** *Trisha Geringer, x 5-2512*

**Mr. Pombo and Mr. Tancredo** may offer an amendment (#22) that increases funding for the Urban Parks and Recreation Recovery Act program by \$225,000,000 over the current bill; increases funding for the Farmland Protection program by \$125,000,000 over the current bill; and increases funding for the Endangered and Threatened Species Recovery program by \$100,000,000 over the current bill. These funding increases are offset by reducing the amount of money transferred from the Conservation and Reinvestment Act Fund to the Land and Water Conservation Fund. 100% of the Land and Water Conservation Fund will be made available for grants to the States. (20 minutes) **Staff Contact:** *Doug*

***Heye, x 5-1947***

**Mr. Souder** may offer an amendment (#47) which clarifies that funding provided by CARA is intended to supplement not detract from annual appropriations for the National Park Service. (10 minutes) **Staff Contact: Amy Horton, x 5-4436**

**Mr. Shadegg** may offer an amendment (#30) that conditions the annual transfer of funds to the CARA Trust Fund on the following: certification that Congress is on track to eliminate all publicly held debt by 2013; certification that there is not an on-budget deficit; certification that Social Security is not scheduled to run a deficit within the next 5 years; and certification that Medicare is not scheduled to run a deficit within the next 5 years. (20 minutes) **Staff Contact: Lance Crager, x 5-3361**

**Ms. Chenoweth-Hage** may offer an amendment (#45) that prohibits funds from being used in the bill for the establishment or management of a national monument designated after 1995 under the Antiquities Act. The purpose of the amendment is to ensure that there are no dedicated funds set aside for controversial monument designations made by the current Administration in California, Utah, Idaho, Arizona, and other targeted states, some in the millions of acres. These designations have been, and are being made, without any Congressional authorization or state and local input, and without environmental assessments. (20 minutes) **Staff Contact: Nathan Olsen, x 5-6611**

**Mr. Pombo** may offer an amendment (#21) that prevents non-federal landowners, who become neighbors of the federal government resulting from an action authorized under this legislation, from having those rights that allow the use and enjoyment of their property diminished. (20 minutes) **Staff Contact: Doug Heye, x 5-1947**

**Mr. Peterson (PA)** may offer an amendment (#6) that prohibits amounts available in the bill to be used for acquisition of land by the federal government except lands located within exterior boundaries designated before the date of enactment. These boundaries include the National Park system, the National Wilderness Preservation system, the National Wildlife Refuge System, the National Forest System, the national system of trails established by the National Trails System Act, federally administered components of the National Wild and Scenic Rivers system, and the national recreation areas administered by the Secretary of Agriculture. The purpose of this amendment is to complete already established systems, without the creations of new boundaries. It is written in response to recent Interior Appropriations oversight hearings of the Fish and Wildlife Service. **Staff Contact: Troy Tidwell, x 5-5121**

**Mr. Chambliss** may offer an amendment (#9) that shifts the date that mandatory spending for programs in the bill begins from fiscal year 2002 to fiscal year 2006. FY 2006 is the first year after the 5-year period covered by the current budget resolution ends. Coupled with striking the off-budget provisions of H.R. 701 contained in the manager's amendment, this amendment ensures that H.R. 701 is consistent with the budget resolution adopted by Congress in March. (20 minutes) **Staff Contact: Rob Leebern, x 5-6531**

**Ms. Chenoweth-Hage** may offer an amendment (#26) that removes the CARA provision that treats counties that have refineries within the state of California as though they are more approximate to producing leases for the local distribution of state funds for coastal conservation and impact assistance (Title I - Sec. 101). (10 minutes) **Staff Contact: Nathan Olsen, x 5-6611**

**Mr. Hastings (WA) and Mr. Regula** may offer an amendment (#49) that requires that 50% of the federal share of the funding for the Land and Water Conservation Fund provided in the bill be used to maintain and manage lands already in federal ownership. (20 minutes) *Staff Contact: Jon Deraney, x 5-5816*

**Mr. Sweeney and Mr. McHugh** may offer an amendment (#40) that provides local governments with the opportunity to object to projects listed under state and federal land acquisition plans under the LWCF. Affected local governments are notified of relevant acquisition proposals and are given 90 days to submit a resolution of disapproval to the Secretary or the Governor, depending upon whether the listing is in the federal or state plan. For state LWCF funding, the amendment requires states to notify each affected local government entity (state political subdivision) of each land acquisition proposal included in the state action agenda and, upon notification, state and local governments have 90 days to transmit to the Governor a resolution of disapproval. (20 minutes) *Staff Contact: Mike Power, x 5-5614*

**Mr. Simpson and Mr. Walden** may offer an amendment (#51) that requires the federal government, when acquiring land in a state in which 50% or more of the land in the state is owned by the federal government, to either dispose of an equal amount of land or obtain the approval of the state via passage of a specific state law before acquiring additional land. (20 minutes) *Staff Contact: Karl Anderson, x 5-5531*

**Mr. Duncan** may offer an amendment (#24) that changes the distribution of the \$450 million funding for the stateside portion of the Land and Water Conservation Fund as follows: 50% divided equally among the states; and 50% divided among the states based on the number of species listed as threatened or endangered in each state. (10 minutes) *Staff Contact: Don Walker, 5-5435*

**Mr. Regula** may offer an amendment (#34) that requires that states have a dedicated State Land Acquisition Fund. Federal funding dedicated to states lacking such plans will be reapportioned to those states that have dedicated state land acquisition funding accounts. (10 minutes) *Staff Contact: Karen Paterno, x 5-3876*

**Mr. Moran (KS)** may offer an amendment (#38) that clarifies that state-side portion of the Land and Water Conservation funds may be used for maintenance and capital improvements. (10 minutes) *Staff Contact: Jon Hixson, x 5-2715*

**Mr. Kind** may offer an amendment (#41) that calls for the establishment of a sediment and nutrient monitoring network in the Upper Mississippi River Basin for the purpose of reducing sediment and nutrient losses from the surrounding landscape. (10 minutes) *Staff Contact: Brad Pfafs, x 5-5506*

**Mr. Calvert** may offer an amendment (#11) that ensures that land owners are not forced to sell their property, and that all land owners are treated fairly in the process. The current willing seller provision in the bill applies only to the federal portion of funds, thus not guaranteeing that landowners property will not be condemned by state or local governments. (20 minutes) *Staff Contact: Jolyn Murphy, x 5-1986*

**Mr. Hill (MT)** may offer an amendment (#2) that prohibits any federal acquisition of lands in the State of Montana until the Secretaries of Interior and Agriculture issue a plan for acquisition and disposal of

lands in the State of Montana. (10 minutes) **Staff Contact: Geoff Bowman, x 5-3211**

**Mr. Buyer** may offer an amendment (#20) that strikes non-profit organizations from using federal funds for the purchase of conservation easements. (10 minutes) **Staff Contact: Dan Garcia, x 5-5037**

**Ms. Chenoweth-Hage** may offer an amendment (#25) that strikes all definitions in Title III of the bill. The current definitions open the door for funding to go to organizations which engage in “public outreach,” species re-introduction and numerous other uses not currently in the law. This amendment eliminates a broad definition of “conservation” that greatly expands the management of non-game species, provides funds for highly controversial measures such as wolf and grizzly bear re-introduction. The amendment would in effect keep in place current law regarding eligible conservation uses. (10 minutes) **Staff Contact: Nathan Olsen, x 5-6611**

**Mr. Udall (CO)** may offer an amendment (#17) that amends Section 702 of the bill to add the Urban and Community Forestry Assistance Program to the list of programs for which the Secretary of Agriculture could use funds provided under section 5(b)(7). (20 minutes) **Staff Contact: Stan Slaus, x 5-2161**

**Mr. Gibbons** may offer an amendment (#44) that allows the Bureau of Land Management to auction public land identified for disposal in their Land Management Plans. (10 minutes) **Staff Contact: Jack Victory, x 5-6155**

**Mr. Ose** may offer an amendment (#18) that adds a new title at the end of the bill stipulating that amounts made available in the Act shall only be available for grants to states to provide assistance to incorporated cities, and to counties with a population of 1,000,000 or more. The amendment stipulates that amounts available in the bill may not be expended unless: Payment In-Lieu of Taxes (PILT) and Refuge Revenue Sharing payments are fully funded, and payments authorized in previous years have been made; and appropriate House and Senate Committees certify the maintenance and repair backlog on the existing National Parks, National Monuments, National Forests and lands managed by the Bureau of Land Management has been completed. (10 minutes) **Staff Contact: Matt Meagher, x 5-5716**

**Mr. Thornberry** may offer an **Amendment (#43) in the Nature of a Substitute**. Very similar to H.R. 701 except that it strengthens private property rights and PILT programs, addresses public maintenance problems in public parks, and makes the funding discretionary for the first five years that the bill is enacted. Comprehensive substitute which will delay mandatory funding of CARA for five years and do the following: Makes CARA subject to annual appropriations; Reduces LWCF by 1/4, if maintenance backlog by 5% each year; Funds PILT up to \$200 million; and Includes new private property protections. (40 minutes) **Staff Contact: Trey Baam, x 5-3706**

**Additional Information:** See *Legislative Digest*, Vol. XXIX, #10, May 5, 2000

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